

### **In the Claims**

Kindly amend the claims as follows:

1. (currently amended) A ~~An automated banking~~ machine comprising:

a housing including an opening adapted to accept into the machine a stack of sheets, the stack including both currency notes and checks;

a separating mechanism in the machine wherein the separating mechanism separates the sheets individually from the stack;

an imaging device operative to produce an electronic representation of at least a portion of checks that have been separated from the stack;

a validating device operative to assess the validity of notes that have been separated from the stack;

a note handling mechanism operative to store notes assessed as valid through operation of the validating device.

2. (original) The machine according to claim 1 and further comprising:

a cancellation device wherein the cancellation device is operative to mark checks that have been placed in the machine.

3.-15. (cancelled)

16. (original) The machine according to claim 1 and further comprising at least one input device, wherein the at least one input device is operative to receive at least one input usable to identify a user of the machine.

17. (original) The machine according to claim 1 wherein the machine includes at least one note dispensing device, wherein the machine is operative to deliver notes through the opening.

18.-40. (cancelled)

41. (currently amended) A method comprising:

- (a) receiving a stack of sheets including notes and checks into ~~a an automated banking~~ machine through an opening in the housing of the machine;
- (b) separating each of the sheets from the stack with a separating mechanism in the machine;

- (c) producing with an imaging device data corresponding to an image of at least a portion of a check separated from the stack;
- (d) assessing with a validating device the validity of at least one note separated from the stack;
- (e) accepting in a note handling device, notes assessed as valid by the validating device.

42. (original) The method according to claim 41 and further comprising:

- (f) marking the at least one check with a cancellation device subsequent to step (e).

43. (cancelled)

44. (original) The method according to claim 41 and further comprising dispensing cash from the machine in response to the receipt of the at least one check by the machine.

45.-67. (cancelled)